BOB F. ANDERSON, PE, INC.

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June 29, 2004

Honorable James H. Welsh, Commissioner of Conservation Office of Conservation P. O. Box 94275 Baton Rouge, LA 70804-4275

Re: APPLICATION FOR PUBLIC HEARING

Proposed Additional Alternate Unit Wells
Hosston Zone, Reservoir A, Cotton Valley Formation, Reservoir A and
Lower Cotton Valley Zone, Reservoir A
HOSS RA SU81, CV RA SU101 and LCV RA SU79
Elm Grove Field, Caddo Parish, Louisiana

Dear Sir:

Application is hereby made on behalf of CAMTERRA RESORUCES, INC., (Applicant), to the Commissioner of Conservation for a public hearing to consider evidence relative to the issuance of an Order pertaining to the following matters relating to, and the Hosston Zone, Reservoir A, Cotton Valley Formation, Reservoir A, and the Lower Cotton Valley Zone, Reservoir A, Elm Grove Field, Caddo Parish, Louisiana:

FOR HOSS RA SU81, CV RA SU101 & LCV RA SU79:

- 1. To permit the applicant to drill nine (9) additional alternate unit wells, seven (7) of which are located in exception to the spacing provisions of the 361-A, 361-B and the 361-E Series of Office of Conservation Orders for the production of gas and condensate for the Hosston Zone, Reservoir A, the Cotton Valley Formation, Reservoir A and the Lower Cotton Valley Zone, reservoir A, in the unit designated HOSS RA SU81, CV RA SU101 and the LCV RA SU79, Elm Grove Field, Caddo Parish, Louisiana, such unit and wells shown on the attached plat and being made a part hereof.
- 2. To find that additional alternate unit wells are needed on each unit to assists in draining a portion of each unit that cannot be drained by any other well located within the units.
- 3. To permit the unit operator to produce the assigned unit allowable form the unit well, the alternate unit wells or from a combination of all wells at its discretion.
- 4. To consider and cover such other matters as the Commissioner of Conservation may deem pertinent and appropriate.

The Hosston Zone, Reservoir A, was defined in the 361-A Series of Office of Conservation Orders, the Cotton Valley Formation, Reservoir A, was defined in the 361-B Series of Office of Conservation Orders and the Lower Cotton Valley Zone, Reservoir A, was defined in the 361-E Series of Office of Conservation Orders in the Elm Grove Field, Bossier, Caddo and Webster Parishes, Louisiana.

The pertinent data pertaining to this application is available for inspection at the Offices of Bob F. Anderson, PE, Inc., 400 Travis Street, Suite 209, Shreveport, Louisiana 71101. Any person wishing to inspect such data should call Bob Anderson 318/425-4230 during normal business hours in order to arrange a date and time for such inspection. A copy of any such pertinent data that is otherwise not available from the Office of Conservation can be obtained at the expense of the requesting party.

The subject matter of this hearing does not require a pre-application notice.

Pursuant to the revised Rules of Procedure, Applicant has made a reasonable effort to obtain the names and addresses of all Interested Owners, Interested Parties and Represented Parties to whom this notice of this intended application is being sent. A copy of this letter and the attached plat is being sent to the District Manager of the Shreveport District Office of Conservation and to the Interested Owners, Represented Parties and the Interested Parties as shown on the attached list

Our check, made payable to the Office of Conservation, is attached to cover the applicable hearing fee,

Yours truly,

B. F. Anderson, PE for

CAMTERRA RESOURCES, INC.

cc: Mr. James Broussard, District Manager Shreveport District Office of Conservation (w/encl.)
Interested Owners, Represented Parties and Interested Parties (wo/encl.)
Camterra Resources, Inc. (w/encl.)





